

CITY OF BISMARCK POLICE PENSION FUND
INVESTMENT PERFORMANCE REPORT AS OF MARCH 31, 2007

	March-07					December-06				September-06				Current	Prior Year	3 Years	5 Years
	Allocation			Quarter	Month	Allocation			Quarter	Allocation			Quarter	Fiscal YTD	FY06	Ended	5 Years
	Market Value	Actual	Policy	Net ROR	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net ROR	Net ROR	6/30/2006	6/30/2006
LARGE CAP DOMESTIC EQUITY																	
Structured Growth																	
LA Capital	839,561	3.6%	3.6%	3.62%	0.75%	815,551	3.7%	3.6%	7.70%	755,932	3.6%	3.6%	1.81%	13.61%	11.88%	N/A	N/A
Total Structured Growth	839,561	3.6%	3.6%	3.62%	0.75%	815,551	3.7%	3.6%	7.70%	755,932	3.6%	3.6%	1.81%	13.61%	11.88%	12.99%	0.19%
Russell 1000 Growth				1.19%	0.54%				5.93%				3.94%	11.40%	6.12%	8.34%	-0.77%
Structured Value																	
LSV	842,373	3.7%	3.6%	2.14%	1.92%	831,014	3.7%	3.6%	8.13%	775,601	3.7%	3.6%	4.48%	15.39%	15.93%	21.06%	12.29%
Russell 1000 Value				1.24%	1.55%				8.00%				6.22%	16.14%	12.10%	15.70%	6.89%
Enhanced Russell 1000 Index																	
LA Capital	773,427	3.4%	3.4%	1.04%	0.77%	781,516	3.5%	3.4%	7.80%	723,744	3.4%	3.4%	3.51%	12.74%	12.49%	12.73%	3.75%
Russell 1000				1.21%	1.04%				6.95%				5.06%	13.72%	9.08%	12.05%	3.12%
Enhanced S&P 500 Index																	
Northern Trust	768,841	3.3%	3.4%	0.34%	0.93%	787,134	3.5%	3.4%	6.42%	738,574	3.5%	3.4%	6.56%	13.79%	9.33%	11.32%	2.81%
Westridge	908,498	3.9%	3.6%	0.74%	1.15%	883,160	4.0%	3.6%	6.86%	825,821	3.9%	3.6%	5.88%	13.78%	8.80%	11.46%	2.80%
Wells Capital	555,327	2.4%	2.4%	0.57%	3.11%	540,421	2.4%	2.4%	13.95%	472,200	2.2%	2.4%	1.21%	15.99%	N/A	N/A	N/A
Franklin	538,603	2.3%	2.4%	0.01%	1.71%	526,056	2.4%	2.4%	5.52%	496,505	2.4%	2.4%	N/A	N/A	N/A	N/A	N/A
Total Enhanced S&P 500 Index	2,771,268	9.7%	9.4%	0.45%	1.59%	2,736,770	10.0%	9.4%	7.79%	2,533,101	9.7%	9.4%	5.15%	13.85%	8.58%	11.40%	2.76%
S&P 500				0.64%	1.12%				6.70%				5.67%	13.46%	8.63%	11.22%	2.49%
S&P 500 Index																	
State Street	369,242	1.6%	1.7%	1.63%	1.54%	356,149	1.6%	1.7%	8.05%	329,147	1.6%	1.7%	5.79%	16.16%	9.62%	11.55%	2.70%
S&P 500				0.64%	1.12%				6.70%				5.67%	13.46%	8.63%	11.22%	2.49%
TOTAL LARGE CAP DOMESTIC EQUITY	5,595,872	24.3%	24.0%	1.33%	1.39%	5,521,001	24.9%	24.0%	7.85%	5,117,525	24.3%	24.0%	4.32%	14.00%	10.93%	13.21%	3.86%
S&P 500				0.64%	1.12%				6.70%				5.67%	13.46%	8.63%	11.22%	2.49%
SMALL CAP DOMESTIC EQUITY																	
Manager-of-Managers																	
SEI	2,028,302	8.8%	8.6%	1.88%	0.57%	1,983,126	8.9%	8.6%	8.85%	1,819,042	8.7%	8.6%	-0.01%	10.88%	13.56%	18.31%	8.00%
Russell 2000 + 200bp				2.45%	1.24%				9.43%				0.94%	13.18%	16.86%	21.06%	10.71%
Callan	815,503	3.5%	3.4%	4.66%	1.92%	779,491	3.5%	3.4%	8.45%	706,151	3.4%	3.4%	-0.91%	12.47%	N/A	N/A	N/A
Russell 2000				1.95%	1.05%				8.90%				0.44%	11.51%			
TOTAL SMALL CAP DOMESTIC EQUITY	2,843,805	12.4%	12.0%	2.66%	0.95%	2,762,617	12.4%	12.0%	8.74%	2,525,193	12.0%	12.0%	-0.27%	11.34%	13.40%	18.25%	7.97%
Russell 2000				1.95%	1.07%				8.90%				0.44%	11.51%	14.58%	18.70%	8.50%
INTERNATIONAL EQUITY																	
Large Cap - Core																	
State Street	268,636	1.2%	1.1%	4.07%	2.46%	258,249	1.2%	1.1%	11.53%	231,646	1.1%	1.1%	3.40%	20.01%	27.85%	20.61%	6.87%
MSCI EAFE (1)				4.08%	2.55%				10.35%				3.93%	19.36%	26.56%	20.76%	5.94%
Large Cap - Active																	
Capital Guardian	781,605	3.4%	3.3%	3.44%	1.86%	756,414	3.4%	3.3%	8.42%	697,020	3.3%	3.3%	4.95%	17.71%	28.01%	21.32%	6.58%
LSV	795,176	3.5%	3.3%	4.52%	2.42%	760,809	3.4%	3.3%	10.85%	686,376	3.3%	3.3%	5.93%	22.74%	27.77%	N/A	N/A
Bank of Ireland	253,044	1.1%	1.1%	1.38%	3.23%	249,617	1.1%	1.1%	9.82%	227,343	1.1%	1.1%	3.02%	14.70%	22.00%	19.16%	N/A
Total Large Cap - Active	1,829,825	8.0%	7.7%	3.62%	2.29%	1,766,839	8.0%	7.7%	9.65%	1,610,738	7.7%	7.7%	5.09%	19.40%	27.11%	21.84%	7.14%
MSCI EAFE - 50% Hedged				4.03%	2.41%				9.06%				4.87%	18.98%	26.72%	22.56%	6.89%
Small Cap - Active																	
Lazard	263,378	1.1%	1.1%	3.06%	2.73%	255,589	1.2%	1.1%	15.51%	221,265	1.1%	1.1%	1.38%	20.69%	25.04%	29.34%	N/A
Wellington	255,223	1.1%	1.1%	5.44%	2.53%	242,095	1.1%	1.1%	9.14%	221,490	1.1%	1.1%	3.21%	18.78%	23.35%	25.26%	N/A
Total Small Cap - Active	518,601	2.3%	2.2%	4.22%	2.63%	497,684	2.2%	2.2%	12.33%	442,756	2.1%	2.2%	2.29%	19.74%	24.18%	27.28%	N/A
Citigroup Broad Market Index < \$2BN				7.05%	3.20%				11.41%				1.55%	21.11%	29.21%	32.38%	N/A
TOTAL INTERNATIONAL EQUITY	2,617,062	11.4%	11.0%	3.80%	2.38%	2,522,773	11.4%	11.0%	10.36%	2,285,140	10.9%	11.0%	4.36%	19.55%	26.61%	22.77%	8.74%
MSCI EAFE - 50% Hedged				4.03%	2.41%				9.06%				4.87%	18.98%	26.72%	22.56%	6.89%
EMERGING MARKETS EQUITY																	
Core																	
JP Morgan	142,546	0.6%	0.5%	2.44%	3.42%	139,442	0.6%	0.5%	17.51%	118,468	0.6%	0.5%	7.76%	29.72%	N/A	N/A	N/A
PanAgora	120,318	0.5%	0.0%	2.32%	4.49%	117,452	0.5%	0.0%	17.38%	99,947	0.5%	0.0%	4.96%	26.07%	N/A	N/A	N/A
WestLB	120,919	0.5%	0.0%	1.47%	2.90%	119,033	0.5%	0.0%	17.37%	101,309	0.5%	0.0%	2.94%	22.60%	N/A	N/A	N/A
UBS	215,943	0.9%	0.9%	2.61%	3.85%	210,027	0.9%	0.9%	16.12%	180,507	0.9%	0.9%	4.67%	24.72%	N/A	N/A	N/A
Total Core	599,725	2.6%	1.9%	2.24%	3.60%	585,954	2.6%	1.9%	16.75%	500,232	2.4%	1.9%	5.09%	25.45%	35.59%	32.44%	18.61%
MSCI Emerging Markets				2.35%	4.02%				17.64%				5.01%	26.42%	35.91%	22.39%	12.89%
Small Cap																	
DFA	145,285	0.6%	0.6%	7.10%	4.35%	135,342	0.6%	0.6%	20.71%	111,874	0.5%	0.6%	8.53%	40.32%	N/A	N/A	N/A
MSCI Emerging Markets				2.35%	4.02%				17.64%				5.01%	26.42%			
TOTAL EMERGING MARKETS EQUITY	745,010	3.2%	3.0%	3.15%	3.74%	721,296	3.2%	3.0%	17.47%	612,106	2.9%	3.0%	5.71%	28.09%	34.40%	32.05%	18.40%
MSCI Emerging Markets				2.35%	4.02%				17.64%				5.01%	26.42%	35.91%	34.76%	21.54%
DOMESTIC FIXED INCOME																	
Core Bond																	
Western Asset	658,446	2.9%	2.7%	1.60%	-0.07%	649,277	2.9%	3.0%	1.78%	628,760	3.0%	2.9%	4.29%	7.85%	-1.15%	2.65%	5.96%
Lehman Aggregate				1.50%	0.00%				1.24%				3.81%	6.67%	-0.81%	2.05%	4.97%
Index																	
Bank of ND	1,187,183	5.2%	6.1%	1.38%	-0.18%	1,172,941	5.3%	6.1%	0.88%	1,165,009	5.5%	6.1%	3.77%	6.12%	-1.37%	1.53%	5.24%
Total Index	1,187,183	5.2%	6.1%	1.38%	-0.18%	1,172,941	5.3%	6.1%	0.88%	1,165,009	5.5%	6.1%	3.77%	6.12%	-0.89%	2.10%	5.27%
Lehman Gov/Credit				1.47%	-0.17%				1.04%				3.91%	6.53%	-1.52%	1.60%	5.13%
Convertibles																	
TCW (2)	-	0.0%	0.0%	N/A	N/A	-	0.0%	0.0%	N/A	546,421	2.6%	2.9%	2.85%	N/A	4.54%	6.78%	1.15%
Calamos	666,756	2.9%	2.7%	0.76%	0.50%	596,052	2.7%	3.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Total Convertibles	666,756	2.9%	2.7%	0.76%	0.50%	596,052	2.7%	3.0%	4.81%	546,421	2.6%	2.9%	2.85%	8.62%	4.54%	6.78%	1.15%
Merrill Lynch All Convertibles (3)				2.44%	0.24%				5.01%				2.79%	10.57%	9.37%	8.01%	4.94%

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	Market Value	Allocation	Actual	Quarter	Month	Market Value	Allocation	Actual	Quarter	Market Value	Allocation	Actual	Quarter	Fiscal YTD	FY06	Ended	Ended
				Net ROR	Net ROR				Net ROR				Net ROR			6/30/2006	6/30/2006
				Net	Net											Net	Net
BBB Average Quality																	
Wells Capital	659,166	2.9%	2.7%	1.71%	-0.60%	649,013	2.9%	3.0%	2.07%	626,999	3.0%	2.9%	4.58%	8.57%	-2.70%	3.36%	5.51%
Lehman BBB				1.79%	-0.62%				1.49%				4.80%	8.26%	-2.37%	2.39%	6.10%
Private Debt																	
Prudential	657,583	2.9%	2.7%	1.81%	0.21%	647,038	2.9%	3.0%	1.47%	628,881	3.0%	2.9%	3.84%	7.27%	-0.13%	N/A	N/A
Lehman Aggregate				1.50%	0.00%				1.24%				3.81%	6.67%	-0.81%	N/A	N/A
Timberland																	
TIR - Teredo (4)	473,873	2.1%	2.1%	-0.25%	-0.06%	474,918	2.1%	2.1%	2.22%	447,425	2.1%	2.1%	-0.19%	1.78%	-1.44%	7.62%	N/A
TIR - Springbank	1,246,546	5.4%	5.4%	28.54%	-0.03%	970,514	4.4%	4.4%	-0.20%	937,279	4.5%	4.5%	-0.06%	28.22%	13.53%	N/A	N/A
Total Timberland	1,720,419	7.5%	7.5%	19.08%	-0.04%	1,445,432	6.5%	6.5%	0.59%	1,384,705	6.6%	6.6%	-0.10%	19.66%	9.43%	20.37%	N/A
NCREIF Timberland Index				6.46%	2.11%				6.46%				0.85%	14.30%	19.69%	13.94%	N/A
TOTAL DOMESTIC FIXED INCOME	5,549,553	24.1%	24.5%	6.32%	-0.05%	5,159,753	23.2%	24.5%	1.57%	4,980,775	23.7%	24.5%	2.67%	10.87%	3.12%	8.91%	8.14%
Lehman Aggregate				1.50%	0.00%				1.24%				3.81%	6.67%	-0.81%	2.05%	4.97%
HIGH YIELD BONDS																	
Core																	
Loomis Sayles	577,881	2.5%	2.5%	2.75%	0.05%	562,399	2.5%	2.5%	4.69%	537,171	2.6%	2.5%	4.85%	12.78%	4.74%	N/A	N/A
Sutter/Wells Capital	550,877	2.4%	2.5%	2.92%	-0.08%	535,748	2.4%	2.5%	1.39%	528,770	2.5%	2.5%	2.84%	7.31%	4.70%	N/A	N/A
Total Core	1,128,758	4.9%	4.9%	2.83%	-0.01%	1,098,147	4.9%	4.9%	3.05%	1,065,941	5.1%	5.0%	3.84%	10.04%	4.72%	5.70%	3.38%
LB High Yield 2% Issuer Constrained Index				2.80%	0.17%				4.11%				3.76%	11.05%	4.38%	N/A	N/A
Mezzanine Debt																	
Goldman Sachs	13,722	0.1%	0.1%	2.63%	2.63%	13,371	0.1%	0.1%	1.95%	7,636	0.0%	0.0%	-0.04%	4.59%	N/A	N/A	N/A
TOTAL HIGH YIELD BONDS	1,142,481	5.0%	5.0%	2.85%	0.02%	1,111,518	5.0%	5.0%	3.05%	1,073,577	5.1%	5.0%	3.82%	10.03%	4.72%	8.34%	7.47%
LB High Yield 2% Issuer Constrained Index				2.80%	0.17%				4.11%				3.76%	11.05%	4.38%	8.48%	8.60%
INTERNATIONAL FIXED INCOME																	
International Sovereign																	
UBS Global (Brinson)	971,961	4.2%	4.5%	0.91%	0.28%	963,178	4.3%	4.5%	1.88%	938,559	4.5%	4.5%	-0.15%	2.65%	0.13%	5.24%	9.99%
Citigroup Non-US Gov't Bond Index (5)				1.09%	0.30%				2.09%				0.89%	4.12%	-0.11%	5.01%	9.58%
International Core																	
Brandywine	991,403	4.3%	4.5%	0.90%	0.42%	982,389	4.4%	4.5%	2.84%	961,963	4.6%	4.5%	1.93%	5.78%	3.89%	8.39%	N/A
Lehman Global Aggregate (ex-US)				1.16%	0.38%				2.57%				1.13%	4.93%	3.83%	5.69%	N/A
TOTAL INTERNATIONAL FIXED INCOME	1,963,363	8.5%	9.0%	0.91%	0.35%	1,945,567	8.8%	9.0%	2.37%	1,900,521	9.0%	9.0%	0.89%	4.22%	2.01%	6.82%	10.91%
Citigroup Non-US Gov't Bond Index (5)				1.09%	0.30%				2.09%				0.89%	4.12%	0.00%	5.05%	9.60%
REAL ESTATE																	
INVESCO	907,960			7.51%	4.06%	852,296			0.14%	872,217			1.55%	9.33%	23.84%	N/A	N/A
J.P. Morgan Strategic & Special Funds	918,092			4.09%	1.53%	894,241			4.17%	881,730			4.36%	13.17%	21.05%	17.14%	12.52%
J.P. Morgan Alternative Property Fund	210,336			12.76%	0.00%	209,059			0.00%	193,163			-2.82%	9.58%	N/A	N/A	N/A
TOTAL REAL ESTATE	2,036,388	8.8%	8.5%	6.43%	2.48%	1,955,596	8.8%	8.5%	1.94%	1,947,109	9.3%	8.5%	2.40%	11.10%	22.09%	17.14%	12.52%
NCREIF TOTAL INDEX				4.51%	1.48%				4.51%				3.51%	13.06%	18.22%	15.63%	12.19%
ALTERNATIVE INVESTMENTS																	
Coral Partners V	16,665			-1.92%	0.00%	18,501			1.68%	28,864			-0.31%	-0.58%	8.74%	-15.32%	-24.06%
Coral Partners V - Supplemental	2,050			-0.85%	0.00%	2,252			8.05%	2,621			-0.70%	6.38%	10.53%	10.33%	N/A
Coral Partners VI	40,487			-9.23%	0.00%	38,392			-2.87%	44,338			-0.08%	-11.91%	-6.22%	-10.14%	N/A
Brinson 1998 Partnership Fund	4,540			24.44%	24.44%	5,528			2.07%	6,075			4.03%	32.13%	16.52%	15.11%	1.97%
Brinson 1999 Partnership Fund	10,334			0.00%	0.00%	10,025			4.42%	15,077			8.99%	13.81%	14.27%	12.72%	3.20%
Brinson 2000 Partnership Fund	29,931			0.82%	12.93%	32,327			2.97%	35,221			4.86%	8.87%	28.22%	17.90%	3.76%
Brinson 2001 Partnership Fund	22,235			10.09%	10.09%	21,993			-1.63%	25,080			8.12%	17.09%	19.85%	9.95%	3.22%
Brinson 2002 Partnership Fund	13,493			18.61%	18.61%	12,387			-6.73%	14,900			9.58%	21.22%	32.42%	13.22%	N/A
Brinson 2003 Partnership Fund	3,932			16.56%	13.06%	3,673			5.60%	3,902			3.05%	26.85%	25.48%	6.77%	N/A
Brinson 1999 Non-US Partnership Fund	5,009			18.61%	18.61%	4,599			25.02%	5,661			16.69%	73.04%	40.48%	30.98%	18.60%
Brinson 2000 Non-US Partnership Fund	9,241			12.99%	24.40%	8,906			0.83%	9,908			26.11%	43.67%	35.03%	21.65%	13.01%
Brinson 2001 Non-US Partnership Fund	9,775			18.35%	47.04%	8,994			-19.07%	12,466			7.27%	2.75%	27.25%	17.46%	8.96%
Brinson 2002 Non-US Partnership Fund	17,317			17.35%	17.35%	16,070			31.26%	16,746			17.05%	80.30%	38.11%	22.66%	N/A
Brinson 2003 Non-US Partnership Fund	14,686			24.88%	24.88%	12,806			12.56%	10,836			21.45%	70.71%	31.08%	8.89%	N/A
Brinson 2004 Non-US Partnership Fund	4,975			14.12%	14.12%	4,747			7.00%	4,019			-0.77%	21.17%	24.56%	N/A	N/A
Brinson BVCF IV	39,236			-19.22%	0.00%	52,891			10.81%	53,545			9.17%	-2.28%	31.35%	19.07%	0.41%
Adams Street Direct Co-investment Fund	15,228			0.47%	0.00%	5,492			-5.02%	6,486			N/A	N/A	N/A	N/A	N/A
Matlin Patterson Global Opportunities	36,279			0.00%	0.00%	39,131			12.96%	38,863			-5.52%	6.72%	-11.68%	26.48%	N/A
Matlin Patterson Global Opportunities II	82,961			29.76%	29.76%	90,090			0.27%	71,479			0.71%	31.03%	-0.85%	N/A	N/A
InvestAmerica	15,096			0.00%	0.00%	16,439			0.00%	18,441			30.21%	30.21%	0.00%	-9.20%	N/A
Hearthstone MSII	1,269			-48.15%	-48.15%	1,283			0.00%	446			0.00%	-48.15%	-100.00%	-100.00%	-100.00%
Hearthstone MSIII	7,122			72.11%	0.00%	6,794			-1.32%	1,042			38.24%	134.78%	59.61%	N/A	N/A
Corsair III	3,263			N/A	0.00%	-			N/A	-			N/A	N/A	N/A	N/A	N/A
Quantum Resources	7,635			0.00%	0.00%	8,314			N/A	-			N/A	N/A	N/A	N/A	N/A
Quantum Energy Partners	1,999			-0.39%	-	-			N/A	-			N/A	N/A	N/A	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (6)	414,759	1.8%	3.0%	6.29%	10.20%	421,634	1.9%	3.0%	3.68%	426,020	2.0%	3.0%	6.16%	17.00%	11.08%	11.81%	-2.11%
CASH EQUIVALENTS																	
Northern Trust STIF/STEP	102,693	0.4%	0.0%	1.32%	0.41%	73,262	0.3%	0.0%	1.30%	152,170	0.7%	0.0%	1.34%	4.01%	4.31%	2.64%	2.41%
90 Day T-Bill				1.25%	0.45%				1.26%				1.33%	3.88%	4.00%	2.37%	2.25%
TOTAL FUND	23,010,986	100.0%	100.0%	3.57%	1.26%	22,195,016	100.0%	100.0%	5.65%	21,020,137	100.0%	100.0%	2.95%	12.65%	10.18%	13.18%	7.21%
POLICY TARGET BENCHMARK				1.72%	1.12%				4.97%				3.48%	10.50%	7.37%	9.97%	5.73%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.

(2) TCW was terminated on September 22, 2006. The portfolio was transferred to Calamos on October 5, 2006.

(3) Prior to January 1, 2005, the benchmark was the First Boston Convertible Index.

(4) Prior to June 1, 2006, the Toledo properties were under the management of RMK.

(5) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.

(6) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual costs are known.